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WHEAT QUOTA REFERENDUM . . .



On August 14 wheat farmers will vote for or against marketing quotas for the 1954 crop.

As required by law, the Secretary of Agriculture has proclaimed wheat quotas—subject to a grower referendum. Two-thirds or more of the eligible farmers who vote must approve quotas before they can be put into effect.

Farmers themselves will therefore make the final decision on whether or not quota controls will apply to 1954 wheat production.

Why the Quota Referendum?

The controlling legislation provides for a quota proclamation whenever the total supply of wheat available for the marketing year exceeds the “normal supply” by more than 20 percent. The “normal supply,” as determined under the formula of the law this year, is 1 billion 156 million bushels. The supply actually available is estimated at 1 billion 760 million bushels—the largest supply in the Nation’s history, and more than 50 percent above the “normal supply.”

In this situation, the proclamation of quotas was mandatory.

What is the Referendum Choice?

Wheat farmers will make very important decisions when they vote. They will want to study the basic considerations carefully. Among the results, depending on whether or not two-thirds or more approve quotas, are the following:

If the vote is "YES" ✓

- Marketing quotas will be in effect for all farms planting more than 15 acres of wheat.
 - Marketing penalties will apply on any wheat produced on acres in excess of the farm's allotment.
 - Price support at 90 percent of parity will be available for those who stay within their acreage allotment.
 - Quotas can be expected to hold down production, helping to bring supplies more nearly in line with the effective market demand.
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If the vote is "NO" ✓

- There will be no marketing quotas, with their penalty controls.
- Acreage allotments, however, will continue in effect.
- Price supports will drop to 50 percent of parity for cooperators. Non-cooperators—any who exceed their acreage allotments—will not be entitled to price support, even at the 50-percent level.
- In the absence of quota controls, production can be expected to continue at higher levels—possibly adding to the wheat surplus.

How does the Quota Program work?

A national allotment of 62 million acres for 1954 has been established in accordance with the provisions of the amended legislation.

The national acreage allotment represents a reduction of about 16.6 million acres from the 78.6 million planted for 1953.

The national acreage allotment is apportioned among the States, and the State allotments among the counties, on the basis of

the acreage seeded for the production of wheat during the preceding 10 years, with adjustments for abnormal weather and for trends in acreage.

The county allotments are apportioned among individual farms, with consideration in each case for the past acreage of wheat, the number of tillable acres in the farm, the crop rotation practices followed, the type of soil, and the slope and lay of the land.

In general, all farms which grew wheat in any one of the years 1951, 1952, or 1953 will be assigned an acreage allotment.

If marketing quotas are approved, then the individual farm marketing quota is the wheat actually produced on the allotted acres. If a farmer is within his acreage allotment, he can market his wheat as he wishes—and he is also eligible for the 90 percent price support.

If a farmer exceeds the farm's acreage allotment, he is subject to a marketing penalty of 45 percent of the parity price on the "excess" wheat—wheat grown on acres in excess of the allotment. There are provisions under which he can avoid or postpone the penalty payment by withholding his excess wheat from the market, in accordance with regulations established by the Secretary of Agriculture.

When a producer who exceeds his allotment has met these conditions with regard to his excess wheat, he is then free to market the wheat from his allotted acres as he wishes. He is not, however, eligible for the 90 percent price support which is available to cooperators.

Acreage Allotments without Quotas ?

Marketing quotas cannot be in effect without acreage allotments. Acreage allotments, however, can be in effect without quotas, and the controlling legislation provides that wheat acreage allotments are to be established every year unless suspended because of emergency situations.

Acreage allotments therefore will be in effect for the 1954 wheat crop, even if marketing quotas should be disapproved.

Producers must stay within their established acreage allotments in order to be eligible for price supports.

To Which Farms do Quotas Apply ?

Under the recently amended controlling legislation, quotas will apply to all farms on which the 1954 acreage of wheat is more than 15 acres (and with normal production of 200 bushels or more).

Who can Vote in the Referendum ?

Any wheat producer who would be affected by marketing quotas—more than 15 acres—is eligible to vote in the referendum.

When and Where to Vote ?

- The wheat quota referendum will be held on August 14.
- Local voting places will be established in each county.
- Information on location of voting places, hours for voting, and other details of the referendum can be secured from PMA county and community committees.

**WHEAT FARMERS SHOULD STUDY
THE SITUATION CAREFULLY, MAKE
THEIR DECISION WITH FULL UN-
DERSTANDING OF THE ISSUES IN-
VOLVED, AND THEN BE SURE TO
VOTE. IT IS AN IMPORTANT DECI-
SION—AND IT'S THEIR DECISION.**

U. S. DEPARTMENT OF AGRICULTURE

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